

FY 2007-08 BUDGET

SUMMARY OF REVENUES AND EXPENDITURES

Section Title: RECYCLED WATER FUND

Section/Index No: 674523

Sub-Object No. and Title	Adopted 2006-07	Requested 2007-08	Difference	Percent Change
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REVENUES:

USE OF MONEY

1700 Interest on Pooled Cash	\$28,000	\$2,375	(\$25,625)	(91.52%)
Subtotal Use of Money	\$28,000	\$2,375	(\$25,625)	(91.52%)

INTERGOVERNMENTAL

2900 Other Government Agencies	\$633,600	\$609,600	(\$24,000)	(3.79%)
Subtotal Other Government Agencies	\$633,600	\$609,600	(\$24,000)	(\$0)

MISCELLANEOUS REVENUE

4304 Federal Grants	\$467,500	\$475,000	\$7,500	1.60%
Subtotal Miscellaneous Revenue	\$467,500	\$475,000	\$7,500	1.60%

OTHER FINANCING SOURCES

4625 OT - W/in Special Dist - BOS	\$650,000	\$650,000	\$0	0.00%
Subtotal Other Financing Sources	\$650,000	\$650,000	\$0	0.00%

TOTAL REVENUES	\$1,779,100	\$1,736,975	(\$42,125)	(2.37%)
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EXPENDITURES:

SERVICES AND SUPPLIES

6522 District Services	\$590,000	\$0	(\$590,000)	(100.00%)
6523 District Operations	0	525,000	525,000	N/A
6570 Consultant Services	1,495,000	1,175,000	(320,000)	(21.40%)
Subtotal Services and Supplies	\$2,085,000	\$1,700,000	(\$385,000)	(18.47%)

OTHER CHARGES

7980 Depreciation	\$37,000	\$40,000	\$3,000	8.11%
8010 Contribution Non-Co Govt	51,300	55,000	3,700	7.21%
Subtotal Non-Co Govt	\$88,300	\$95,000	\$6,700	7.59%

TOTAL EXPENDITURES	\$2,173,300	\$1,795,000	(\$378,300)	(17.41%)
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TOTAL NET COST (Expenditures Minus Revenues)	\$394,200	\$58,025	(\$336,175)	(85.28%)
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FY 2007-08 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Recycled Water

Section Title: Recycled Water Fund

Character: Use of Money and Property

Character No.: 674523-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the Agency by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	\$50,000
Projected Interest Rate	4.75%
Projected/Planned Interest on Pooled Cash	<u>\$2,375</u>

Character: Intergovernmental Revenue

Character No.: 674523-20

2900 Other Government Agencies

This account records revenue received from other Government Agencies. The amount shown reflects payments from other Agency members of the North Bay Water Reuse Authority.

Character: Miscellaneous Revenue

Character No.: 674523-40

4304 Federal Grants

This account records the anticipated federal grants from the U.S. Bureau of Reclamation for the following project:

North Bay Water Reuse Authority	\$475,000
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Character: Other Financing Sources

Character No.: 674523-46

4625 OT - W/in Special Dist - BOS

This account will record a transfer of funds from the Agency's General Fund to finance staff and consultant costs associated with planned projects. It is anticipated that it may take one to three more years for the fund to become self-supporting. Until such time, operating transfers from the General Fund will occur as necessary to support recycled water projects.

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CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Recycled Water

Section Title: Recycled Water Fund

Character: Services and Supplies

Character No.: 674523-60

6522 District Services

This account is being replaced by Sub-object 6523.

6523 District Operations

This item is requested to provide funds for the charging of salaries, benefits and overhead costs for personnel assigned to investigate the feasibility and/or desirability of establishing irrigation zones or other methods of putting recycled water to beneficial use. This new account is being set-up to isolate internal labor activities. Specific projects anticipated for FY 07-08 include:

<u>Project Description</u>	<u>PCAS No.</u>	<u>Amount</u>
Irrigation Studies	3289 (Tasks 1-4)	\$15,000
North County / Ag Reuse	3289 (Task - 5)	140,000
North Bay Watershed Association	3680	40,000
Napa-Sonoma Marsh	3566	30,000
North Bay Reuse	3967	300,000
		<u>\$525,000</u>

6570 Consultant Services

This item provides funding for the use of outside consultants as may be necessary to support the program.

North County / Ag Reuse	3289	
EIR / Engineering Support		\$50,000
Program Development		40,000
North Bay Reuse	3967	
Engr/Economic		400,000
Program Development		210,000
CEQA/NEPA Analysis		300,000
Public Outreach		100,000
SF Bay Watershed Reuse Program Development	TBD	75,000
	Total	<u>\$1,175,000</u>

Character: Other Charges

Character No.: 674523-75

7980 Depreciation

Generally Accepted Accounting Principles require that depreciation to be expended each year.

8010 Contribution Non-Co Government

<u>Funding Agreement - North Bay Watershed Association</u>	PCAS No. 3680	\$25,000
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Funds are requested to finance an agreement with North Bay Watershed Association to partially assist the Association to carry out components of its Watershed program.

<u>Funding Agreement - Russian River Watershed Association</u>	PCAS No. 3928	30,000
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Funds are requested to finance an agreement with Russian River Watershed Association to partially assist the Association to carry out components of its Watershed program.

Total	<u>\$55,000</u>
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FY 2007-08 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Recycled Water
Section: Recycled Water Fund
Index No.: 674523

DESCRIPTION OF FUND ACTIVITY	Actual FY 05-06	Estimated FY 06-07	Requested FY 07-08
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance Available for Budgeting (See Detailed Components Below)	\$718,578	\$553,893	\$104,143
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	947,482	1,778,204	1,736,975
Expenditures - (Decrease) fund balance	(952,060)	(2,227,954)	(1,795,000)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	(4,578)	(449,750)	(58,025)
Adjustments to Reserves/Encumbrances:			
Change in Encumbrances - Net Increase/(Decrease)	(81,404)	-	-
Post Audit Adjustment - Receivables	(78,704)	-	-
Depreciation	-	-	40,000
Net Adjustment - Increase/(Decrease) to Fund Balance	(\$160,108)	\$0	\$40,000
Undesignated/Unreserved <u>ENDING</u> Fund Balance Available for Budgeting	\$553,893	\$104,143	\$86,118
Total Increase/(Decrease) in Fund Balance for Fiscal Year (Difference between Beginning and Ending Balance)	(\$164,685)	(\$449,750)	(\$18,025)
<u>Fund Balance Components at Beginning of FY</u>	7/1/05	7/1/06	
Cash	\$696,907	\$708,447	
Receivables	497,877	355,445	
Accounts Payable	(121,918)	(74,307)	
Encumbrances	(354,288)	(435,692)	
Total Beginning Fund Balance	\$718,578	\$553,893	